

**ISSUE OF PHOSPHATE AUSTRALIA LIMITED SHARES – SECONDARY TRADING NOTICE  
NOTIFICATION PURSUANT TO PARAGRAPH 708A(5)(e) OF THE CORPORATIONS ACT 2001 ("Act")**

On 2 July 2012 Phosphate Australia Limited ("**the Company**") issued 11,000,000 fully paid ordinary shares in the capital of the Company at an issue price of \$0.074 per share ("**Shares**") to raise funds for exploration and working capital.

**Secondary Trading Exemption**

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, sale of the Shares noted above will fall within the exemption in section 708A(5) of the Act.

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Act that:

- (a) the Company issued the Shares without disclosure to investors under Part 6D.2 of the Act;
- (b) as at 2 July 2012 the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- (c) as at 2 July 2012 there is no information:
  - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
  - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
    - A. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - B. the rights and liabilities attaching to the Securities.

Yours faithfully  
Phosphate Australia Limited



**GRANT J. MOONEY**  
Director & Company Secretary